

## 2005 Application Errors & Tips on How to Avoid Them

Anthony Zeto  
[azeto@treasurer.ca.gov](mailto:azeto@treasurer.ca.gov)  
(916) 654-9854

1

## Please make sure you...

- Sign and notarize the Applicant's Statement.
- Submit a CASHIER'S CHECK for the fees... personal checks will not be accepted.
- Use application pages and certifications from the year in which you are applying for tax credits. Use of old application pages and certifications from prior years will result in your application being deemed incomplete.
- All certifications/contracts must be executed by all parties.

2

## Please make sure you...(cont.)

- Have your application reviewed by someone other than yourself before submitting it. Additional reviewers may catch some errors you may have missed.
- Do not request more federal credit than you are allowed. Last year, we had a couple of applicants request more than the \$2,000,000 limit allowed in annual federal tax credits set forth in Regulations section 10305(e).
- Do not request state tax credits when you are also receiving the High Cost Area adjustment of 130%. This will result in problems with your project's feasibility, which will cause your project to be dismissed from competition for 9% tax credits.

3

## Threshold Basis Limit Calculations

- Use the correct limits for the County in which your project is located.
- Include the proper documentation on any basis adjustments that you are claiming.

***Any miscalculation or incomplete documentation may result in reduction of points or credits, which could deem your project infeasible. When a project is deemed infeasible, it is no longer considered for tax credits in the funding round for which it is applying.***

4

## General Partner & Management Point Section

- General partner points will only be awarded if the respective projects are clearly linked between TCAC Form 2A, CPA certification, and the Previous Participation certification.
- Same requirements apply for management experience points in regards to the Previous Participation certification and TCAC Form 2B.

5

## Housing Type Point Section

- Applicant must certify to all the regulatory requirements of the housing type they are choosing to serve.
- You must be able to meet all the requirements of the housing type. This is a threshold requirement.
- Use the most current set of regulations (adopted January 18, 2006).

***Please refer to the Additional Threshold Requirements located in Regulations section 10325(g).***

6

## Housing Type Point Section (cont.)

- Review the architectural plans thoroughly and highlight the application requirements in the working drawings that you submit. Be sure to look at the...
  - Bedroom size/square footage
  - Washer & Dryer requirements
  - Community space square footage
- The architectural drawings must be clear and detailed so that we can verify the above threshold requirements.

7

## Site Amenity Point Section

- Make sure that any supporting letters state the tenants of the project will be able to use the amenities that the applicants are claiming points for (schools, community centers, etc.).

8

## Site Amenity Point Section (Bus Stop)

- To receive points in this section, the bus stop must be in place at the time of your application submission.

### ***Exception:***

If you are receiving Balanced Community points and can document that the bus stop is planned and will be in service at the time the project is placed-in-service.

9

## Site Amenity Point Section (Public Parks)

- Greenbelts or parkways/bike trails do NOT qualify as public parks.
- If you are requesting points for public parks, please make sure it is an actual “public park” with amenities.

10

## Site Amenity Point Section (Schools)

- Some applicants are still requesting points where the children of the project may be assigned or bussed to a different school outside the boundary line.
- Points for schools will only be given if the children of that project will be able to attend that school.

11

## Service Amenity Points

- No points will be awarded if you do not include the proper documentation.
- Budget must be included with your supporting documentation in order to receive points. Page 36 of the application should also include the Service Amenities budget in the Operating Expenses section.

12

## Service Amenity Points (cont.)

- Submittal of letters stating that the services will be performed by volunteers or some other free nature of service being provided will not be acceptable.

### *Exception:*

The service is included in another service with associated annual cost (such as a contract with a management company that expressly indicates the services are included in the contract cost).

13

## Site and Service Amenities

- These amenities will be monitored through file and on-site physical inspections by the compliance staff.
- Failure to meet the site and service amenities claimed for points in the application may result in negative points.

14

## Neighborhood Revitalization Point Section

- Submit a plan that is current and implemented by the jurisdiction at the time of application.
- Identify the area that the plan encompasses.
- Property across the street will not qualify for points in this section.

15

## Sustainable Building Methods

- Both the applicant and the architect must certify the same building methods that were marked in the application.

16

## Lowest Income Point Section

- Do not claim points for rents that are 55% AMI unless you are a qualified rural project competing in the Rural set-aside.
- All projects must score at least 45 points in this category to be eligible for 9% tax credits.

*Please refer to Regulations section 10325(c)(9)(a).*

17

## Market Study

- Read the market study and make sure it refers to your project.
- Market study must support the need for your project.

18

## Final Thoughts

- All approvals are obtained prior to the application deadline date. Any local approval appeal periods that run past the deadline date will not be accepted for points.
- Application and point section instructions must be followed exactly as they are written.
- Please call TCAC if you have any questions filling out the application.

19

## TCAC 2006 Program Schedule

- **March 23, 2006**  
Round 1 Application Due Date
- **June 7, 2006**  
Round 1 Awards Committee Meeting
- **July 20, 2006**  
Round 2 Application Due Date
- **September 20, 2006**  
Round 2 Awards Committee Meeting

20

## TCAC 2006 Tentative Meeting Dates

- February 15, 2006 at STO, Room 587
- March 15, 2006 at STO, Room 587
- April 19, 2006 at STO, Room 587
- June 7, 2006 at EDD, Auditorium\*
- July 19, 2006 at STO, Room 587

\* Denotes 9% allocation meeting

STO, Room 587 is located at 915 Capitol Mall

EDD, Auditorium is located at 722 Capitol Mall

21

## TCAC 2006 Tentative Meeting Dates (cont.)

- August 16, 2006 at STO, Room 587
- September 20, 2006 at EDD, Auditorium\*
- October 18, 2006 at STO, Room 587
- November 15, 2006 at STO, Room 587
- December 20, 2006 at STO, Room 587

\*Denotes 9% allocation meeting

STO, Room 587 is located at 915 Capitol Mall

EDD, Auditorium is located at 722 Capitol Mall

22

## Submittal of 4% Tax-Exempt Bond Financed applications

- Meetings for consideration of these projects take place monthly.
- Applications must be received by TCAC no less than 60 days prior to the Committee meeting in which they wish to obtain a decision.

*Please refer to Regulations section 10326(c).*

23